Footwear Park at Chennai

894. SHRI C. PERUMAL: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether Government propose to create a footwear park at Chennai;

(b) if so, the details thereof;

(c) by when the park will be set up;

(d) whether footwear park will be accorded Special Economic Zone status;

(e) if so, the details thereof; and

(f) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI ASHWANI KUMAR): (a) to (c) Yes, Sir. The Government is implementing a Plan Scheme, namely, the "Infrastructure Strengthening of Leather Sector" (ISLS) and establishment of a Footwear Complex at Irungattukottai (near Chennai) is one of the subcomponents envisaged in the Scheme. The State Industries Promotion Corporation of Tamil Nadu Limited (SIPCOT) is the implementing agency and has been assigned the task of preparing the Detailed Project Report which would *inter-alia* contain the expected date of completion of the Project.

(d) and (e) The Central Government has conveyed "in-principle" approval for setting up of a sector specific Special Economic Zone for Footwear sector over an area of 150 acres at Irungattukottai (near Chennai).

(f) Not applicable.

Import of natural rubber through STC

895. SHRI C. PERUMAL: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether All India Rubber Industries Association has urged import of natural rubber through State Trading Corporation and the rubber so imported should be sold to small industries;

(b) if so, whether export of natural rubber has been urged to be discontinued;

(c) if so, whether any decision has been taken in this regard;

(d) if so, the details thereof; and

(e) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI JAIRAM RAMESH): (a) and (b) Yes, Sir.

(c) to (e) Since the price of Natural Rubber in the international market is much higher than domestic prices imports of NR through State Trading Corporation do not appear to be a feasible proposition.

Export of Chinese articles to India through Nepal

896. SHRI B.J. PANDA: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is a fact that Nepal tops in garment export to India;

(b) if so, the details thereof;

(c) whether Indian markets provide a duty free access for all Nepalese manufactured articles;

(d) whether Chinese products are also finding their way to India through Nepal and enjoying the above privilege; and

(e) if so, the action plan of Government to impose safeguards against Chinese products entering our markets through Nepal?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI JAIRAM RAMESH): (a) and (b) Yes, Sir, the imports of readymade garments from Nepal were Rs. 29.13 crores during 2004-05 as per Directorate General of Commercial Intelligence and Statistics Data.

(c) For duty free access into India, the Nepalese goods should have been made wholly from Indian/Nepalese materials, or the Nepalese goods have undergone a 4-digit level change of the Harmonized commodities Description and Coding system. Besides, third country inputs in the goods manufactured in Nepal should not exceed 75% of the ex-factory price during the first year, from 6.3.2002 to 5.3.2003 and 70% thereafter. Further, duty free imports from Nepal into India in respect of four items viz., vanaspati,